

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
FORMER BATH COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
July 1, 2012 Through May 31, 2013**



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ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Lori H. Flanery, Secretary, Finance and Administration Cabinet
The Honorable Kathy Tapp,
Former Bath County Property Valuation Administrator

We have performed the procedures enumerated below, which were agreed to by the former Bath County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2012 through May 31, 2013. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the former Bath County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (May 31, 2013), for all bank accounts, to determine if amounts are accurate.

Finding -

The former PVA had a receipts and disbursements ledger. The former PVA conducted monthly bank reconciliations. The May 31, 2013 bank reconciliation was accurate.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

Based on the work performed, the payments from the cities have been confirmed and compare favorably to the former PVA receipts records. List of cities receipts are complete.



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3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

Based on the work performed, payments made by the Fiscal Court to the former PVA have been confirmed. The budgeted statutory contribution by Fiscal Court compared favorably to the legally required amounts calculated by the Department of Revenue. Fiscal Court payments were traced from the Fiscal Court statutory contribution budget to the former PVA's local bank accounts and the receipts register.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

The selected disbursements agree to cancelled checks and paid invoices or other supporting documentation. Expenditures were determined to be for official business. The former PVA did not use credit cards.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

The former PVA did not have any capital outlay expenditures.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The former PVA's agreement and contract payments agree to cost schedules and the services received were appropriate, for official business, and properly authorized.

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7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

Auditor compared budget to actual expenditures and determined the former PVA did not overspend her total budget. However, the 800 account series was overspent by \$1,872.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

Collateral was not necessary for the former PVA's funds. The FDIC account coverage was adequate.

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Time records are completed, maintained, approved, and support the hours worked.

10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

Cash balances were transferred from the former PVA to new PVA.

11. Procedure -

For newly hired employees, hired during July 1, 2012 through May 31, 2013 in the PVA's office, determine if the Ethics Certification Form has been completed and is on file.

Finding -

Not applicable since no one was hired during July 1, 2012 through May 31, 2013.

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12. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

The former PVA followed the proper procedures and completed the appropriate form for the days the office was closed other than state's approved holidays.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the former Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Adam H. Edelen', with a stylized flourish at the end.

Adam H. Edelen
Auditor of Public Accounts

May 31, 2013